

County of Los Angeles CHIEF ADMINISTRATIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012 (213) 974-1101 http://cao.co.la.ca.us

Board of Supervisors GLORIA MOLINA First District

YVONNE BRATHWAITE BURKE Second District

ZEV YAROSLAVSKY Third District

DON KNABE Fourth District

MICHAEL D. ANTONOVICH Fifth District

January 20, 2004

Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Dear Supervisors:

JOINT RESOLUTION BETWEEN THE COUNTY OF LOS ANGELES, THE CITY COUNCIL OF THE CITY OF LOS ANGELES AND THE CITY COUNCIL OF THE CITY OF WEST HOLLYWOOD ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE AS A RESULT OF THE PROPOSED REORGANIZATION OF TERRITORY BETWEEN THE CITIES OF LOS ANGELES AND WEST HOLLYWOOD (WESTMOUNT DRIVE DETACHMENT NO. 97-1)

(SUPERVISORIAL DISTRICT 3) (3 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

Approve the attached Joint Resolution between your Board, the City Council of the City of Los Angeles and the City Council of the City of West Hollywood based on the negotiated exchange of property tax revenue, as a result of the proposed reorganization of territory (Westmount Drive) between the City of Los Angeles and the City of West Hollywood.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The respective City Councils of the cities of Los Angeles and West Hollywood have adopted the attached Joint Resolution based on the negotiated exchange of property tax revenue resulting from the proposed reorganization of territory between the Cities of Los Angeles and West Hollywood. The territory consists of property commonly known as 417 Westmount Drive, and a portion of the abutting street, and is referred to in the attached Joint Resolution as "Westmount Drive Detachment No. 97-1" (hereinafter

The Honorable Board of Supervisors January 20, 2004 Page 2

collectively the "subject property"). The reorganization will result in the subject property being detached from the City of West Hollywood and annexed to the City of Los Angeles.

In order for the Local Agency Formation Commission (LAFCO) for Los Angeles County to proceed with the required hearings on the proposed reorganization, your Board, as the governing body of the County and the Consolidated Fire Protection District, must adopt the attached Joint Resolution.

FISCAL IMPACT/FINANCING

The reorganization necessitates a reallocation of the property tax base revenue and adjustment of the annual property tax increment between the County of Los Angeles and the Cities of Los Angeles and West Hollywood.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In April 1996, the City of Los Angeles, the City of West Hollywood, the County of Los Angeles, and Bernard and Janet Tohl entered into a settlement agreement (renegotiated in 2003), as a result of a lawsuit entitled Bernard G. Tohl and Janet Tohl, Trustees Under Trust Agreement Dated September 20, 1979 v. City of West Hollywood, County of Los Angeles, and City of Los Angeles, Los Angeles Superior Court Case No. C 680 592. Pursuant to the terms of the settlement agreement, the City of West Hollywood agreed to detach the subject property from its jurisdiction and the City of Los Angeles agreed to annex the subject property.

Pursuant to Part 3, Division 3, Title 5 of the California Government Code, commencing with Section 56000, the City of West Hollywood adopted a resolution and filed an application with LAFCO to initiate proceedings for reorganization of the subject territory, between the City of Los Angeles and the City of West Hollywood. The City of Los Angeles adopted a similar resolution agreeing to the reorganization of territory.

Section 99 of the Revenue and Taxation Code (R&T Code) requires that prior to the effective date of any jurisdictional change, the governing bodies of all agencies whose service area or service responsibilities will be altered by such change must negotiate a reallocation of property tax revenue between the affected agencies, and approve and accept such reallocation by resolution. The respective City Councils of the Cities of Los Angeles and West Hollywood have adopted the negotiated Joint Resolution, as required by Section 99 of the R&T Code.

The Honorable Board of Supervisors January 20, 2004 Page 3

Adoption of the Resolution by your Board will allow LAFCO to schedule the required public hearings to consider testimony on the proposed reorganization. LAFCO will subsequently take action to approve, approve with changes or disapprove the proposal for the reorganization.

The Joint Resolution has been approved as to form by County Counsel.

busk

CONCLUSION

At such time as the recommendation is approved by your Board, please return one copy of the letter and six signed originals of the Resolution to LAFCO, one approved copy of this letter and one signed original of the Resolution to the Chief Administrative Office, Office of Unincorporated Area Services and Special Projects, and one copy of the approved letter and a copy of the Resolution to the Auditor-Controller, Tax Division.

Respectfully submitted

DAVID E. JANSSEN
Chief Administrative Officer

DEJ:LS DD:MJS:nl

Attachment

c: Auditor-Controller County Counsel

RESOLUTION NO. 02-2653

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, THE CITY COUNCIL OF THE CITY OF LOS ANGELES AND THE CITY COUNCIL OF THE CITY OF WEST HOLLYWOOD APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE RESULTING FROM THE REORGANIZATION OF TERRITORY (WESTMOUNT DRIVE DETACHMENT NO. 97-1)

(Detachment from the City of West Hollywood and Annexation to the City of Los Angeles)

WHEREAS, pursuant to Section 99 of the Revenue and Taxation Code, for specified jurisdictional changes, the governing bodies of an affected County and City shall negotiate and determine the amount of property tax revenue to be exchanged between the affected agencies; and

WHEREAS, the Board of Supervisors of the County of Los Angeles as the governing body of the County of Los Angeles and the Los Angeles County Consolidated Fire Protection District (herein referred to as CFPD), the City Council of the City of Los Angeles as the governing body of the City of Los Angeles, and the City Council of the City of West Hollywood as the governing body of the City of West Hollywood and the West Hollywood Lighting Maintenance District, have determined that the amount of property tax revenue to be exchanged between their respective agencies as a result of the reorganization of territory entitled, "Westmount Drive Detachment No. 97-1," which includes detachment of said territory from the City of West Hollywood, detachment from the CFPD, detachment from the West Hollywood Lighting Maintenance District, and annexation to the City of Los Angeles, is as set forth below:

NOW, THEREFORE, BE IT RESOLVED as follows:

- The negotiated exchange of property tax revenues between the County of Los Angeles, the City of Los Angeles and the City of West Hollywood, resulting from the reorganization proposal identified as "Westmount Drive Detachment No. 97-1" is approved and accepted.
- 2. For fiscal years commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, Eighty-two Dollars (\$82) in property tax revenue shall be transferred from the City of West Hollywood to the County of Los Angeles. In addition, for each fiscal year commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, the City of West Hollywood annual tax increment attributable to the "Westmount Drive Detachment No. 97-1" shall be transferred from the City of West Hollywood to the County of Los Angeles.
- 3. For fiscal years commencing on or after July 1, 2003 or the July 1 after the effective date of this jurisdictional change, whichever is later, Seven Dollars (\$7) in property tax revenue shall be transferred from the West Hollywood Lighting Maintenance District to the County of Los Angeles. In addition, for each fiscal year commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is

later, the West Hollywood Lighting Maintenance District annual tax increment attributable to the "Westmount Drive Detachment No. 97-1" shall be transferred from the West Hollywood Lighting Maintenance District to the County of Los Angeles.

- 4. For fiscal years commencing on or after July 1, 2003 or the July 1 after the effective date of this jurisdictional change, whichever is later, Eleven Dollars (\$11) in property tax revenue shall be transferred from the County Library to the County of Los Angeles. In addition, for each fiscal year commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, the County Library annual tax increment attributable to the "Westmount Drive Detachment No. 97-1" shall be transferred from the County Library to the County of Los Angeles.
- 5. For fiscal years commencing on or after July 1, 2003 or the July 1 after the effective date of this jurisdictional change, whichever is later, Eighty-five Dollars (\$85) in property tax revenue shall be transferred from the CFPD to the County of Los Angeles. In addition, for each fiscal year commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, the CFPD annual tax increment attributable to the "Westmount Drive Detachment No. 97-1" shall be transferred from the CFPD to the County of Los

Angeles.

- 6. For fiscal years commencing on and after July 1, 2003 or the July 1 after the effective date of this jurisdictional change, whichever is later, One Hundred Thirty-two Dollars (\$132) in property tax revenue shall be transferred from the County of Los Angeles to the City of Los Angeles. In addition, for each fiscal year commencing on or after July 1, 2003, or the July 1 after the effective date of this jurisdictional change, whichever is later, 0.262897234 percent of the annual property tax growth attributable to the "Westmount Drive Detachment No. 97-1" area shall be transferred from the County of Los Angeles to the City of Los Angeles.
- 7. For fiscal years commencing on or after July 1, 2003 or the July 1 after the effective date of this jurisdictional change, whichever is later, the County of Los Angeles' share of incremental property tax growth shall be adjusted to account for the full one percent of ad valorem property tax after implementing the adjustments specified in paragraphs 2 through 6.

7. For fiscal years commencing on or after July 1, 2003 or the July 1 after the effective date of this jurisdictional change, whichever is later, the County of Los Angeles' share of incremental property tax growth shall be adjusted to account for the full one percent of ad valorem property tax after implementing the adjustments specified in paragraphs 2 through 6.

PASSED, APPROVED AND ADOPTED this 5th day of November, 2003 by the following vote:

AYES:

10

ABSENT:

NOES:

2

ABSTAIN:

Xqueed Het DEG 1]

Mayor, City of Los Angeles

ATTEST:

Juany City Clerk



(signed in counterparts)

Resolution No. 02-2653 Page 6 of 7

PASSED, APPROVED AND ADOPTED this 4th day of March, 2002 by the following vote:

AYES:

Councilmember:

Duran, Martin, Prang, Mayor Pro

Tempore Guarriello and Mayor Heilman.

NOES:

Councilmember:

None.

ABSENT:

Councilmember:

None.

ABSTAIN:

Councilmember:

None.

John Merlmon Mayor, City of West Hollywood

ATTEST:

(signed in counterparts)

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)
CITY OF WEST HOLLYWOOD)

I, TONY RUSSELL, City Clerk of the City of West Hollywood, California, hereby certify that I have compared the foregoing copy with the original RESOLUTION NO. 02-2653, passed and adopted by said City Council at a regular meeting held at the time and by the vote therein stated, which original RESOLUTION is now on file in my office, and that the same is a full, true and correct copy.

Witness by my hand and the seal of the City of West Hollywood this 11th day of March, 2002.

TONY RUSSELL, CITY CLERK

Resolution No. 02-2653 Page 7 of 7

Board of Supervisors of the Coul	the day of, 2004, adopted by the nty of Los Angeles and ex officio the governing body of taxing districts, agencies and authorities for which said
	VIOLET VARONA-LUKENS, Executive Officer Clerk of the Board of Supervisors Of the County of Los Angeles
	By Deputy

APPROVED AS TO FORM BY COUNTY COUNSEL

LLOYD W. PELLMAN

(signed in counterparts)